H. Lundbeck A/S

On 20 March 2018 at 10 a.m., the Annual General Meeting of H. Lundbeck A/S, Central Business Register (CVR) no. 56759913, was held at the Company's address, Ottiliavej 9, DK-2500 Valby.

The Chairman of the Board of Directors, Lars Søren Rasmussen, opened the General Meeting by introducing the Company's Board of Directors and management. Attorney Jørgen Kjergaard Madsen had been appointed Chairman of the Meeting by the Board of Directors. The Chairman announced that the General Meeting had been duly convened and formed a quorum for the transaction of business.

In accordance with Article 8.1 of the Articles of Association, the agenda was as follows:

1. Report of the Board of Directors on the Company's activities during the past year.
2. Presentation and adoption of the annual report.
3. Resolution on the appropriation of profit or loss as recorded in the adopted annual report.
4. Election of members to the Board of Directors.
5. Approval of remuneration for the Board of Directors for the current financial year.
6. Election of one or two state-authorised public accountants.
7. Any proposals by shareholders or the Board of Directors.
    - 7.1 Proposal by the Board of Directors to authorise the Board of Directors to allow the Company to acquire own shares.
    - 7.2 Proposal by the Board of Directors to authorise the Chairman of the Meeting to register the resolutions passed by the General Meeting with the Danish Business Authority.
8. Any other business.

Re agenda items 1 and 2: Report of the Board of Directors on the Company's activities during the past year and presentation and adoption of the annual report.

Chairman of the Board, Lars Søren Rasmussen, reported on the Company’s activities:

2017 was a historically good year for Lundbeck, and I am very satisfied with the financial results, which are the best results in the history of Lundbeck. Revenue increased by 10% to DKK 17.2 billion. Simultaneously we achieved an almost twofold increase in EBIT to DKK 4.4 billion.

Lundbeck’s portfolio of key products (Rexulti, Onfi, Northera, Brintellix, or Trintellix as it is called in North America, and Abilify Maintena) continued their substantial growth in 2017. The sales of those products rose by 36% compared to 2016, now constituting more than half of Lundbeck's revenue.

Each of the five key products has demonstrated a strong growth, and they all achieved sales of more than DKK 1 billion. Onfi is now Lundbeck's largest product, achieving sales of more than DKK 3 billion. All in all, the key products generated sales of DKK 8.9 billion. We expect that the growth in our key products will continue, and that even more patients will benefit from the pharmaceuticals. During the next years, the growth will be driven by the recent launches of Brintellix in a number of European and International markets, and by the upcoming launches of Rexulti in a number of countries outside North America. In the autumn of 2017, Rexulti was launched in Australia as the first market outside North America. Geographically, the growth was driven particularly by a strong growth in the important North American market, in which sales rose by 17% (compared to 2016) to DKK 10.7 billion.

Sales in Europe decreased by 3% to DKK 2.8 billion. The decrease was due to declining license income from Azilect after the hand back of rights to Teva. Disregarding this decrease, sales in Europe rose by 1% compared to 2016, and the underlying earnings have improved significantly. It is our expectation that Europe in 2018 will return to growth and will contribute strongly to Lundbeck's earnings.

In International Markets, which mainly comprise China, Japan, Australia and a number of Asian and South American countries, we achieved sales of DKK 3.3 billion, corresponding to a 2% increase, driven primarily by Brintellix and Abilify Maintena. In the coming years, particularly China is expected to contribute significantly to Lundbeck's business.

Lundbeck is today a well-established company with extensive expertise in the entire value chain of research, development, production, marketing and sales of pharmaceuticals for the treatment of psychiatric and neurological diseases.

This unique expertise means that despite being a small pharmaceutical company with 5,000 employees, Lundbeck is able to compete globally with much larger pharmaceutical companies. The strategy is to continue this focus and to secure global distribution of our innovative pharmaceuticals. Our research and development efforts focus on four key areas in which Lundbeck has special expertise and is therefore able to make a valuable difference to the patients, namely depression, schizophrenia, Alzheimer's Disease and Parkinson's Disease. In 2017 we obtained three important product approvals. In China, Azilect was approved for the treatment of Parkinson's Disease and Brintellix was approved for the treatment of depression. These products will be a very important part of Lundbeck's continued growth in China. In addition, Abilify Maintena was approved in the US for maintenance treatment of bipolar 1 disorder. Furthermore, we made progress in our development portfolio by initiating phase 1 clinical trials with a 2-month formulation of Abilify Maintena and with a long-acting injectable formulation of brexpiprazole. However, the development of new and innovative pharmaceuticals also

involves disappointments and setbacks. Setbacks were seen in 2017 and will probably also take place in the years ahead. Therefore, so much the greater is the joy when we succeed in obtaining approval of new pharmaceuticals that can improve the lives of people suffering from psychiatric and neurological diseases.

We are dedicated to ensuring that patients get the best possible treatment, and we wish to contribute to reducing the large human and societal burden associated with these diseases. More than 375 million people suffer from depression, schizophrenia, Alzheimer's Disease and Parkinson's Disease, and this figure, and the associated social costs, will probably increase in future as life expectancy increases. It is therefore essential that we continue to help these patients.

Already today, Lundbeck's pharmaceuticals make a huge difference to patients. The pharmaceuticals invented by Lundbeck since the introduction of Truxal in 1959 help more than 50 million patients annually today. In the future we will continue focusing on ensuring that even more patients benefit from our innovative pharmaceuticals.

I am extremely happy to present Lundbeck's best financial results ever. Results that meet the expectations announced in November 2017 in connection with the financial statements for the third quarter of 2017. We achieved the following results:

- revenue of DKK 17.2 billion, corresponding to a 10% increase;
- EBIT of DKK 4.4 billion, corresponding to almost a twofold increase compared to 2016;
- EBIT margin of 25.6%. Adjusted for the divestment of properties, the EBIT margin was 24.2%.

The results were far better than imagined at the beginning of the year. The main reasons are less generic erosion of Sabril and Xenazine, and divestment of properties that generated an income of DKK 242 million.

If we examine the figures more closely, it is primarily the strong 10% growth in revenue that generated the splendid results. Simultaneously, the production costs have decreased due to a change in the product mix. The increase in sales, distribution and administration costs is attributable to an increase in marketing activities, primarily in North America. The 2017 research and development costs were lower than in 2016, primarily because 2016 included a write-down of idalopirdine. All in all, these circumstances resulted in 2017 earnings that were almost the double of the 2016 earnings.

If we turn to the cash flow, the strong improvement in operations has also improved our cash and cash equivalents compared to 2016. Consequently, at the end of 2017 our cash and cash equivalents totalled DKK 3.7 billion, even after we in 2017 repaid the remaining mortgage debt of almost DKK 2 billion to make Lundbeck debt-free.

With the improved cash and cash equivalents and the reduction of interest-bearing debt, our net cash grew by approx. DKK 3.3 billion from 2016 to 2017. Net cash was therefore approx. DKK 3.7 billion at the end of 2017 and is expected to increase even further and reach approx. DKK 5 billion at the end of 2018.

Although 2017 was the best year ever, we expect 2018 to be even better. Despite increased generic competition for Sabril and Xenazine, we expect Lundbeck to achieve a record high revenue and EBIT in 2018. Once again, these results are driven by our key products.

The financial expectations for 2018 are as follows:

- Revenue: DKK 17.2-18.0 billion corresponding to 0-5% growth
- EBIT: DKK 4.8-5.2 billion corresponding to 9-18% growth

In connection with the turn-around for Lundbeck, long-term financial targets were determined for the Company in 2016. The targets are:

- EBIT margin: 25% (the target is to increase the Company's profit margin)
- ROIC: 25% (the target is to achieve a sufficient return on the invested capital)
- Cash-to-earnings: >90% (the target is to turn a large part of the Company's cash generation into earnings)

The EBIT margin reached 24.2% exclusive of the gain from divestment of properties in 2017, and it is expected to increase to 27-30% in 2018 - we therefore expect to achieve our long-term financial targets in 2018.

Finally, Lars Søren Rasmussen thanked the audience for listening and gave the floor to Jørgen Kjergaard Madsen.

The chairman of the meeting opened discussions about agenda items 1 and 2.

Michael Thøgersen from the Danish Shareholders Association was very satisfied with the Company’s results and asked the following questions:

1. What is H. Lundbeck's opinion of price pressure in the market - particularly the North American?

2. H. Lundbeck has a very large number of patents, several thousands. Does H. Lundbeck do anything to find licensees or buyers for any of those patents in order to generate additional income in that way?

In addition, Michael Thøgersen commented that the management of H. Lundbeck has been selling a lot of shares in 2017 but no one has been buying shares, and that some members of the Board of Directors and the Executive Board do not hold any shares in the Company.

Michael Thøgersen ended by thanking employees and management for a splendid 2017.

Lars Søren Rasmussen thanked Michael Thøgersen for the comments and the questions and said in respect of question 1 that all companies investing large sums in the development of a new and better pharmaceutical products must be able to account for the value of the product when negotiating the prices. This also applies to Lundbeck, which has been able to perform that task in such a way that Lundbeck's prices could be adjusted to be in line with those of the competitors.

As regards question 2, Lars Søren Rasmussen responded that Lundbeck does indeed have many patents, and that it is quite decisive for Lundbeck that the possession of patents can help the company secure the market exclusivity that is a precondition for the company's large investments in research and development. The patent system is designed such that in practice you need to have many patents to cover one pharmaceutical. Accordingly, Lundbeck does not really have any patents that the company does not "utilize".

Lars Søren Rasmussen finally stated that H. Lundbeck focuses on having board members that possess the required qualifications rather than shares in the company.

No one else wanted to speak, so the chairman of the meeting announced that the Board of Directors' report had been adopted, and that the 2017 annual report had been approved.

Re agenda item 3: Resolution on the appropriation of profit or loss as recorded in the adopted annual report

The Board of Directors proposed to pay a dividend of 61% of the net profit for the year, corresponding to DKK 8.00 per share or DKK 1,592 million in total, for the financial year 2017.

The proposal was adopted.

Re agenda item 4: Election of members to the Board of Directors

According to article 5.1 of the articles of association, the members of the Board of Directors who are elected by the general meeting are elected for one-year terms. The Board of Directors proposed to re-elect Lars Søren Rasmussen, Lene Skole-Sørensen, Lars Erik Holmqvist and Jeremy Max Levin. The board also proposed to elect Jeffrey Berkowitz and Henrik Andersen as new members. Jens Jesper Ovesen was not up for re-election.

The requirements in section 120 of the Danish Companies Act had been met.

Lars Søren Rasmussen, Lene Skole-Sørensen, Lars Erik Holmqvist, Jeremy Max Levin, Jeffrey Berkowitz and Henrik Andersen were then elected as members of the Company’s Board of Directors.

Following the election, the Board of Directors consists of:

- Lars Søren Rasmussen
- Lene Skole-Sørensen
- Lars Erik Holmqvist
- Jeremy Max Levin
- Jeffrey Berkowitz
- Henrik Andersen
- Jørn Møller Mayntzhusen (elected by the employees)
- Ludovic Tranholm Otterbein (elected by the employees)
- Rikke Kruse Andreasen (elected by the employees)

Re agenda item 5: Approval of remuneration for the Board of Directors for the current financial year.
The chairman of the meeting presented the Board of Directors' proposal to set the remuneration to the Board of Directors for the current financial year at the same amounts as for 2017:

- Ordinary members of the Board of Directors will receive a basic remuneration of DKK 350,000.
- The chairman of the Board of Directors will receive three times the basic remuneration.
- The deputy chairman of the Board of Directors will receive two times the basic remuneration.
- Ordinary committee members will receive DKK 200,000 in addition to the basic remuneration.
- Committee chairmen will receive DKK 300,000 in addition to the basic remuneration.

No one wished to speak.

The chairman of the meeting announced that remuneration proposed by the Board of Directors for 2018 was adopted.

Re agenda item 6: Election of one or two state-authorised public accountants
According to article 8 of the articles of association, the auditor was up for re-election at the general meeting. The Board of Directors proposed to re-elect Deloitte Statsautoriseret Revisionspartnerselskab as recommended by the Audit Committee (and by the Board of Directors). The Audit Committee has not been influenced by any third party or been bound by any third-party agreement restricting the number of auditors or audit firms that may be elected by the general meeting.

The chairman of the meeting explained the proposal which was adopted.

Re agenda item 7.1

The chairman of the meeting explained the Board of Directors' proposal to authorise the Board of Directors to acquire own shares on behalf of the Company.

The proposal was adopted.

Re agenda item 7.2

The chairman of the meeting explained the Board of Directors' proposal to authorise the chairman to make amendments and additions to the resolutions passed by the general meeting and to register the resolutions with the Danish Business Authority.

The proposal was adopted.

Re agenda item 8 Any other business

The chairman of the meeting then announced that there was no further business to transact, and gave the floor to the chairman of the Board of Directors. Lars Søren Rasmussen thanked those attending and closed the meeting.

The General Meeting was closed at 10.40.

Jørgen Kjergaard Madsen
Chairman of the meeting